

STATE OF ILLINOIS

GRANT ACCOUNTABILITY AND TRANSPARENCY ACT



6th ANNUAL REPORT TO THE
GOVERNOR AND GENERAL ASSEMBLY

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Subcommittee and Workgroup Volunteers

State agency and grantee community volunteers, who serve on various GATA committees and workgroups, continue to make valuable contributions to the growth and development of the GATA process and the overall Grant Management System. Representation from these internal and external stakeholders enables Illinois' grant management frameworks to be designed, tested and implemented with direct input from state agency and grantee users. More than 200 volunteers, of whom approximately 60 percent represent state agencies and 40 percent the grantee community, have fulfilled a critical role in establishing Illinois' statewide grant management compliance frameworks.

Collaboration between GATU and the state agency Chief Accountability Officers (CAOs) has aided in the multi-year, phased implementation of GATA frameworks. By statute, each state grant-making agency shall appoint a CAO who shall serve as a liaison to GATU responsible for that state agency's implementation of and compliance with GATA rules. GATU facilitates CAO meetings twice a month to share current status updates and statistics, collaborate on administrative best practices, and answer

questions and examine barriers to GATA implementation. A complete list of current CAOs can be found in Appendix I to this report.

The GATA Agency Advisory Group is made up of the eight largest grantmaking agencies: Department on Aging, Community College Board, Department of Children and Family Services, Department of Commerce and Economic Opportunity, Department of Human Services, Department of Public Health, Department of Transportation, and the State Board of Education. Nearly 73 percent of all grant funds expended are administered by one of these state agencies.

GATU highly values the perspective, expertise and dedication of time the CAOs, Advisory Agency personnel and representatives from the grantee community devote to GATA-related initiatives.

Executive Summary

Illinois state government officials have a duty to ensure taxpayer dollars are spent wisely, efficiently and with transparency. Taxpayers expect nothing less. The Grant Accountability and Transparency Act (GATA), (30 ILCS 708) is an integral part of providing that accountability and transparency. The Grant Accountability and Transparency Act (GATA) became effective July 16, 2014 to establish uniform requirements and cost principles for state and federal pass-through awards. Centralized grant management systems promote performance transparency and financial integrity of taxpayer dollars.

The State of Illinois relies extensively on grants to operate programs and deliver services to Illinois citizens. State agencies receive federal, federal pass-through and state grants (excluding Medicaid) to fund internal operations and to outsource programs and services. Illinois receives approximately \$26.5 billion of federal financial assistance annually and roughly \$15.8 billion is distributed annually through grant agreements with state grant-making agencies. Illinois spends about 66 percent of its entire budget through grants.¹

In state fiscal year 2021, there were 51 state agencies with grant-making appropriations. Eight agencies administer nearly 73 percent of all grant funds. The fiscal year 2021 enacted budget includes 776 grant lines ranging from \$123,500 to \$12.3 billion. The Catalog of State Financial Assistance (CSFA) includes more than 1,050 programs and nearly 31,000 awards made to over 5,200 unique grantees annually.²

Performance management is a federally required element of grant administration. GATA frameworks provide statewide rules, templates and systems for grant performance oversight. GATA sets grant management policy by adopting federal Uniform Guidance for all grants regardless of the source of funding. The implementation of a grant management system that meets the needs of many diverse programs and partners is an ongoing challenge. Working closely with partners, the state is addressing those challenges head on, through adjustments in systems as needed, detailed training opportunities and most importantly, open lines of communication.

The GATA frameworks centralize and standardize common grant requirements reducing redundancy for both grantees and state agencies. The frameworks streamline the processes necessary for compliance with grant requirements. By centralizing seven standard grant functions, over 8,500 duplications in common requirements for state agencies have been eliminated saving nearly 1.2 million state agency labor hours annually.³ As statewide grant management becomes more effective and efficient, administrative costs decrease, allowing more funds to support program delivery.

GATA is intended to lessen administrative burdens and remove duplication. However, incremental implementation has elongated the learning curve. This report quantifies the annual financial impact of GATA implementation to-date. An estimated \$319,641,000 in cost avoidance and 1,192,500 labor hour savings for fiscal year 2020 are elaborated on in the Demonstrating GATA Performance section of this report.

¹ Fiscal year 2020 enacted budget.

² Based on fiscal year 2020 CSFA records.

³ GATA Cost Avoidance / Cost Savings summarized in the 2019 Grant Accountability and Transparency report accessible at [https://www2.illinois.gov/sites/GATA/Documents/Annual Reports/2019-GATA-Annual-Report.pdf](https://www2.illinois.gov/sites/GATA/Documents/Annual%20Reports/2019-GATA-Annual-Report.pdf)

Each year, the GATA annual report highlights ongoing efforts to drive grant compliance and enhance grant performance. GATA seeks to build out grant management best practices across state agencies. Although 2020 COVID restrictions imposed complexities to nearly all operations, GATU, state agencies and grantees that carry out the state's programs and services still accomplished significant results. This report draws out success stories among Illinois agencies to showcase how GATA is evolving from a compliance focus to a performance driver.

Calendar year 2020 was a significant implementation year for the statewide grant management system (GMS). The State of Illinois made great strides toward a single system of record for all grant activity regardless of the source of funding. Existing GATA rules and frameworks are being automated, allowing grant administration to integrate with both GATA systems and SAP, Illinois' enterprise-wide financial and accounting system

This report also emphasizes highly technical progress state agencies and grantees are making toward audit and indirect cost rate elections. Subject matter experts are realizing efficiencies through these centralized, automated systems. The Centralized Audit Report Reviews and Indirect Cost Rate sections of the GATA annual report highlight 2020 efforts in these more advanced functional areas of grant management.

GATA is a nationally recognized foundation for public funds transparency. It enables Illinois to comply with grant administration mandates and drives performance and outcomes so the state can maximize its use of public funds. Representatives of GOMB, including GATU, appreciate the opportunity to highlight Illinois' progress in grant compliance and showcase the hard work and accomplishments of our state agency and grantee partners through this 2020 GATA Annual Report.

GATA Fiscal Year 2020 Report

STATEWIDE BEST PRACTICES AND SYSTEMS

Grant management continues to evolve nationally and at the state level. Due to legislation and its comprehensive implementation, Illinois is recognized as an innovator in this industry by the federal Office of Management and Budget and the National Council of Nonprofits. A statewide initiative on this scale requires significant stakeholder input, collaboration and buy-in. The Grant Accountability and Transparency Unit (GATU) at the Governor's Office of Management and Budget (GOMB) supports capacity building within the state agencies and the grantee community by offering grant-related training and providing guidance and support regarding fiscal administration and programmatic requirements.

Continuous improvement is a cornerstone of GATA implementation. State agency and grantee community volunteers who serve on various GATA committees continue to make valuable contributions to the growth and development of the GATA process. Representation from these internal and external stakeholders enables Illinois' grant management frameworks to be designed, tested, implemented and improved with direct user input. This level of engagement fosters ownership and support for improving grant management.

Collaborations fostered through GATA implementation have led to grant administration best practices and Illinois' prominence as a grant innovator. GATA extensively uses Chief Accountability Officers (CAOs), the GATA Agency Advisory Group, technical subject matter experts within state agencies, and the grantee community to draw out best practices and procedures that can be shared and replicated statewide. This section of the GATA annual report highlights best practices initiated by state agencies during 2020.

Centralized Grant Management Units

Eleven agencies provided feedback regarding their efforts towards a grant management unit. Eight agencies have established centralized grant compliance units - three pre-dated GATA - and two agencies plan to set up centralized units. Six of the state agencies anticipate having more than three full-time staff in this unit.

Agencies have identified similar lessons learned from both establishing and operating a grant management unit successfully. Communication and training are identified as the keys to ensure consistency and buy-in from agency stakeholders.

The role and the responsibilities within a centralized grant unit varies by state agency but consistently includes ensuring GATA compliance. The road to compliance takes different paths. Some agencies have positioned their grant units as gatekeepers while other agencies utilize this group for grant support, training and technical assistance. Regardless of the hierarchical and functional authorities bestowed on grant units, training and communication plays a key role in effecting grant compliance within state agencies.

From a GATU perspective, knowledge of state agency use of centralized grant compliance units has reinforced key themes of GATA implementation and compliant grant management:

1. Communication between the different stakeholders is critical as grants touch on many different areas of expertise even within an agency.
2. Compliance is easier to achieve when stakeholders are engaged. Engagement happens when stakeholders are educated in grant management and GATA frameworks.
3. Centralization allows technical experts to evolve. By expanding their knowledge, they can provide specialized knowledge and training to their agencies.

Agency-wide System for Administering the Stop Payment List

Illinois introduced the Illinois Stop Payment List in 2015 as a central repository from cross-agency information sharing to improve risk assessment processes and enhance fiscal management transparency. As one of the largest grant-making agencies, DHS recognized the need for agency-wide coordination to administer this list. In response, DHS designed and implemented a Stop Pay List Tracking System (SPLTS) and set an Administrative Directive to drive uniform administration of the Grantee Compliance Enforcement System (GCES) and the Illinois Stop Payment List.

SPLTS is a centralized system interfaced with the Stop Payment List to establish a uniform framework for DHS to address grantee non-compliance. Occurrences of non-compliance that trigger a preliminary stop payment notice are recorded in SPLTS for interagency awareness. Following GCES requirements, SPLTS generates timely communication with applicable grantees, maintains records of the communications, and adds transparency to each resolution. To the degree SPLTS and the Stop Payment System are referenced by state agency staff prior to remitting payments, executing or modifying a grant, these tools are an effective means to protect against grant fraud, waste, abuse and mismanagement. It's important to note, however, that state agencies must use professional judgment because the system alone cannot drive grant compliance.

Targeted GATA Training to Enhance Equitable Access to Grant Funds

During state fiscal years 2020 and 2021, two state agencies, ICJIA and DHS, received \$4 million in dedicated appropriations for GATA training. A training contract was procured with the University of Illinois – Springfield to design training materials and create a learning management system. The objective of the training is to increase equitable access to grant funding so more entities can apply for and receive grant funds to carry out programs and services. The training focused on helping entities understand and complete the requirements to apply for state funding.

This targeted training already has reached approximately 350 organizations and participant feedback has been extremely positive. GOMB is considering expanding this training statewide to allow a broader range of entities to benefit from this technical support. Ongoing training, open lines of communication and flexibility are key to Illinois' successful GATA implementation. Please refer to the GATA Training section of this annual report for more detail about the third-party training materials and learning management system.

STATEWIDE GRANT MANAGEMENT SYSTEM

Illinois began a four-stage implementation of a new statewide grant management system during calendar year 2019. Ongoing training, open lines of communication and flexibility are key to the program's success. Committees and workgroups representing state grant making agencies, grantees, the GATU and DoIT have collaborated to finalize recommendations and data flows to keep the user experience front-and-center during system design and implementation.

The Grant Management System (GMS) uses the AmpliFund product platform, an established off-the-shelf grant management software. GATA frameworks and templates are being built into the system so GMS will have a familiar look to its users. GMS also integrates with the Enterprise Resource Planning (ERP) accounting and financial system. GMS is Illinois' automated system of record for life cycle grant administration. All state grant making agencies under the Governor and grantees will utilize the centralized GMS for all facets of grant administration from submitting grant applications, to issuing grant agreements, and submitting and accepting periodic financial and performance reports and requests for grant payments.

Calendar year 2019 was the initial stage of the GMS project and focused on pre-award grant functions, including the notice of funding opportunity (NOFO), grant application, merit-based review of the grant application and budget, and generation of the grant agreement. During calendar year 2020, Stage 1 recommendations were finalized and approved by the GMS Steering Committee. Based on the approved recommendations, the AmpliFund vendor completed a gap analysis and configured the product to meet Illinois compliance with GATA and Federal requirements. The GMS Stage 1 Pre-award functionality was implemented July 2020.

During Stage 1 testing, agency specific requirements and training sessions were held allowing State Advisory Agencies quicker access to the GMS based upon their respective grant making cycles. The Illinois Department of Transportation (IDOT), Department on Aging (DOA), and Illinois Community College Board (ICCB) are current users of the GMS. Other agencies including the Department of Children and Family Services (DCFS), Department of Human Services (DHS) and Department of Public Health (DPH) are in implementation training.

Following the same sequence as GATA implementation, Stage 2 under the GMS is Post-award. Post-award includes all functions related to administering an executed grant agreement. Stage 2 began in July 2020. Because most state agencies have no automation to support grant administration, AmpliFund's out of the box post-award functionality will be implemented initially. This allowed Illinois to have an end-to-end Grant Management System while committee recommendations solidify Illinois-specific requirements for financial reporting and monitoring, grant agreement amendments, and performance reporting and monitoring. It is anticipated that most Stage 2 committee recommendations will be complete in 2020. Out of the box functionality testing is planned for December 2020 and is anticipated to go into production in January 2021.

In October 2020, the GMS was introduced to 15 additional grant making agencies. These are small to mid-size agencies that have no or very limited grant management automation. The agencies were assigned to cohorts for group training and individual agency implementation sessions as needed. Cohort 1 will run from November 2020 - March 2021, Cohort 2 March-July 2021 and Cohort 3 July-October 2021.

ERP/SAP Integration

Another key deliverable for Stage 2 is ERP/SAP integration. The AmpliFund / ERP integration is expected July 2021. For state agencies currently using SAP, this functionality will enable the state agency to manage grantee-specific budgets from award through payments and close-out. GMS will be accessed by State of Illinois grant staff and grantees and all related financial/accounting transactions will integrate into SAP. The GMS will connect to the Illinois Office of the Comptroller (IOC) for payment processing. The GMS will also support administration of the Grantee Compliance Enforcement System (GCES) (30 ILCS 708/60) and the Illinois Stop Payment List.⁴ Integrations between the GMS and the IOC will automate Stop Payment List verification prior to voucher processing. Systems will compare state agency submitted vouchers to the Stop Payment List. If the entity is in Stop Payment Status, the transaction will be flagged for payment verification by the state agency prior to a warrant being generated. With 979 entities on temporary Stop Payment Status at the time of this report, GCES has been an effective tool to promote transparency and drive grantee compliance.

Grant Portfolio Management

During Stage 3 of GMS implementation, the out-of-the-box functionality for grant portfolio management will be reviewed as part of a cohesive initiative to maximize Illinois' federal funding in support of the Administration's priorities and state agency missions. Federal Funds Information for States (FFIS) data shows that Illinois is one of the top six states in federal expenditures but ranks 33rd out of 50 states in Federal grants per capita.⁵ Grants should be examined at both the agency level and statewide as part of the overall grant portfolio to maximize federal grant receipts. The AmpliFund product centralizes federal grant application notices to increase awareness and access to available grant opportunities. This will minimize research time required of state agency staff. GATA frameworks and AmpliFund's platform will allow grant analysis on three dimensions of portfolio management: 1) Efficiency – consider administrative costs prior to state agency application for federal funding; 2) Applicability – alignment to the Administration's priorities and state agency mission; and 3) Effectiveness – driving equity among diverse pools of state grantees.

There are currently no statewide rules or procedures for state agency solicitation of federal grants. Federal grant applications are usually based on past practice. During Stage 2, the Portfolio Management Committee will propose uniform rules and procedures using the GMS to support state agency applications for federal funding in alignment with mission and priorities. System data will support state agency decisions not to pursue select funding when the cost to administer the grant is greater than the program or services the grant generates. Enhanced grant portfolio data will emphasize where state general revenue used for state initiatives can be supplemented with federal, public and private funding sources for greater utilization of public funds and expanded service and program delivery.

⁴ The Stop Payment List provides notice when a grantee is not compliant with grant requirements. The List raises awareness when grant funds are not used for intended purposes and informs state agencies of a grantee's potential financial or programmatic risk to the state.

⁵ Federal Grants Per Capita, FY 2019 Federal Funds Information for States, www.ffis.org

Through GMS portfolio management, Illinois will have a mechanism to track federal funds received against grants awarded and expended. The direct correlation and aggregate reporting capability will improve grant and program management and provide timely data to promote greater utilization of available funds.

Illinois will continue to make great strides collaborating with user groups and implementing a cohesive and compliant GMS. The success of this project is heavily dependent on engagement and open communication between state agency personnel, grantees, DoIT and GATU. Progressing more deliberately on the GMS allows Illinois to work through issues for a smoother transition and better participation by all stakeholders.

CENTRALIZED AUDIT REPORT REVIEWS

Centralized audit report reviews remain a key driver of GATA cost avoidance / savings as 77 percent of grantees receive funds from more than one agency and/or agency division.⁶ Before GATA, each state agency was responsible for audit report review and approval of corrective action plans (CAPs) for its grantees. Through ARRMS implementation, over 8,500 duplicative reviews of audit reports have been eliminated. Many times, the independent assessment led to differing opinions on the effectiveness of the CAP which in turn resulted in numerous re-writes by the grantee. The requirement for state agencies to collectively agree on the grantee's CAP significantly reduces the burden on the grantees.

Prior to GATA, audit requirements, including thresholds and auditing standards, differed for grantees not subject to the Single Audit. In state fiscal year 2016, the state adopted uniform audit requirements to improve accountability of this function. The first full year of implementation of the Audit Report Review Management System (ARRMS) was 2019. Since its inception, ARRMS has been instrumental in providing state agencies the capability to view their grantees' audit reports, which allows them to provide more timely support to their grantees.

The Consolidated Year End Financial Report (CYEFR) requires each grantee to report all state and federal pass-through grants received from Illinois within one reporting template. The expenditures reported by each grantee not only assist with the completion of mandatory state agency reconciliations, but also determine if an external audit is required and what type of audit is to be conducted. By reporting the correct expenditure amount, the grantee is certifying that the audit being conducted will meet Federal and/or State requirements.

CYEFR implementation has raised awareness of the federal requirement that state agencies must reconcile grant-level expenditures to the grantee's audited financial statements. Although ARRMS provides the support needed to certify whether an audit is required and the type of audit conducted, it does not replace the professional judgement that must be applied to each grantee's audit requirements. While state agencies initially struggled with the technical aspects of completing the reconciliations, there has been great progress in CYEFR reconciliation expertise among the agencies' and subject matter experts (SMEs). GATU continues to provide weekly assistance sessions with state agency audit liaisons and audit report review SMEs.

⁶ Based on fiscal year 2020 CSFA records.

Throughout the audit report review process, each stakeholder works closely together to make sure that the audit is not only successfully submitted by each due date, but that the correct audit is conducted and includes the required documents needed for review. State agencies not only perform reconciliations of grant-level expenditures, but also ensure that audits are being submitted timely, CAPs have been accepted, and management decision letters are issued. The ARRMS provides the agencies with not only the support needed to achieve these actions, but also with the required deadlines that must be met in order to ensure timely submission of these requirements. GATU continues to provide notifications of audit requirements, submissions, due dates and reminders to the grantees and state agencies, as well as the technical assistance needed throughout the audit report review process. The review of each grantee's audit report packet continues to be completed by a contractor, a licensed auditing firm. They ensure that each audit complies with applicable auditing standards, identify any missing items from the report and provide detail for audit findings. These key stakeholders play a vital role in the centralized audit review process and their continuous support and collaboration is what helps make the ARRMS process successful.

Instances of substandard audits, audits not performed in accordance with generally accepted auditing standards, and audits performed by individuals who are not licensed CPAs have been documented. In addition, many audit submissions lack the required peer reviews conducted in accordance with Auditing Standards. ARRMS provides notifications to grantees and agencies when audit submissions are missing peer reviews, or other required documents. In addition, GATU has controls in place to prevent this from recurring with future audits. The processes and systems discussed above ensure the accountability and transparency of the grant-making process.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (SEFA)

Starting with the state fiscal year 2019 Statewide Single Audit, GATU was assigned responsibility for compiling the statewide Schedule of Expenditures of Federal Awards (SEFA). The SEFA is an integral piece of the Single Audit requirements for non-federal entities. All state agencies with federal award expenditures must identify expenditures of federal awards during a fiscal year within their SEFA. GATU is responsible for compiling individual state agency SEFAs into one statewide report, and ensuring the report is accurate and meets all federal requirements of 2 CFR 200. The preparation and disclosure of a complete and accurate statewide SEFA is highly important as the State of Illinois is striving to produce a SEFA on which stakeholders consistently can rely.

The SEFA is also heavily relied upon by auditing firms and/ or oversight agencies to review and report compliance. For strengthened controls, Illinois is also using an auditing firm to assist with SEFA compilation preparation. Collectively, GATU Certified Public Accountants and the auditing firm systematically review the state agency work to attest that the SEFA has been completed and accurately reported in accordance with auditing standards and federal requirements.

Accurate subrecipient expenditures are a key piece of state agency SEFA reporting. Most state agencies are operating disparate systems that lack comprehensive integration with their financial systems. Staff responsible for preparing financial reporting generally rely on multiple data sources to produce their SEFA. With the implementation of the statewide GMS, GATU will be able to expand the use of the Catalog of State Financial Awards (CSFA) to accurately capture the subrecipient expenditures for all state and federal awards. This will allow state agencies to see subrecipient expenditures for each federal award in one system, improving the accuracy of the statewide SEFA.

INDIRECT COST RATES

The federal government approved Illinois to establish a centralized indirect cost rate system in accordance with the Federal Uniform Guidance 2 CFR 200.331 (4). The implementation of the Illinois Centralized Indirect Cost Rate System will be complete in January 2021 and will be accessed by all State of Illinois grantees and subrecipients. Before this release, grantees/subrecipients used a separate system, CARS, to complete all indirect cost rate elections. All entities will access the new Centralized Indirect Cost Rate System through the Grantee Portal. A separate login to CARS will now only be required if the entity negotiates an indirect cost rate with the State of Illinois. Grantees will complete the entire election process for waive (no rate), the de minimis rate and federally negotiated indirect cost rate in the new centralized indirect cost rate system. The system will record initial elections, election changes and indirect rates based on the grantee's fiscal year, and the generation of written indirect cost rate agreements. The centralized indirect cost rate system will be the system of record for all grantee/subrecipient indirect cost rate elections and approvals used for reimbursement of State of Illinois and federal pass-through awards.

Centralized Indirect Cost Rate Negotiation

Federal requirements mandate that states negotiate and pay their fair share of grant administrative and/or overhead costs. Effective November 12, 2020, the Office of Management and Budget (OMB) revised 2 CFR 200.414(f), which relates to indirect cost rate negotiations.

The use of the de minimis rate of 10 percent of modified total direct costs (MTDC) was expanded to all non-Federal entities (except Local Governments over \$35 million). Previously, the de minimis rate could be used only for non-Federal entities that had never received a negotiated indirect cost rate. Uniform Guidance updates also provided clarification that proof of covered costs is not required to be maintained when a non-Federal entity is using the de minimis rate for its Federal grants.

All state agencies are required to accept the grantee or subrecipient's negotiated indirect cost rate or election unless a program-specific limitation or restriction applies. GATU recognizes that some funding sources impose statutory limitations on indirect costs or salary caps. The framework for Illinois' centralized indirect cost rate system is built to accommodate these requirements. Within the new centralized indirect cost rate system, if a grantee or subrecipient previously elected the 10 percent de minimis rate option for indirect cost reimbursement and subsequently elects to negotiate a State of Illinois indirect cost rate, the 10 percent de minimis rate election will remain valid until the negotiated rate is approved and finalized.

GATA is positioned to drive and support indirect cost rate compliance. GATU recognizes the complexities of indirect cost rates and continues to provide training and technical assistance on the topic. During 2020, GATU extensively engaged with state agencies and grantee representatives to improve understanding of indirect cost rate negotiations and how negotiated rates and/or the de minimis rate should be applied. There has been a significant increase in capacity and expertise among state agencies and their subject matter experts (SMEs). In addition to targeted outreach, GATU continues to provide FAQs and trainings to guide state agencies and grantees in understanding cost principles, applying the indirect cost rate, and navigating election requirements for the indirect cost rate. These FAQ and training modules are available from the GATA website. GATU will continue to

provide the resources needed to ensure that grantees and agencies remain in compliance and complete successful indirect cost rate elections.

GATA TRAINING

Two state agencies, ICJIA and DHS, received dedicated appropriations in state fiscal years 2020 and 2021 for GATA trainings to entities that needed help applying for financial assistance from the State of Illinois. The training focused on helping entities understand and complete the requirements to apply for state funding. The objective of the training is to increase equitable access to grant funding so more entities can apply for and receive grant funds to carry out programs and services.

Under procurement with the University of Illinois – Springfield, training modules were developed along with a learning management system to communicate federal grant requirements and Illinois-specific GATA frameworks to entities interested in applying for state grants. The training courses are available in multiple mediums to support diverse adult learning styles. The training can be delivered in various formats including self-paced on-line study, face-to-face instructor-led sessions, and web-enabled offerings using a hybrid model. Participant and instructor guides are available. The training is offered in multiple languages.

Under this initiative, ICJIA delivered 68 instructor-led workshops in a two-part format. All sessions were delivered in a remote online format due to social distancing restrictions related to COVID. ICJIA reached over 300 organizations through these workshops. A recording of the workshop is available on-demand from the ICJIA website. ICJIA will be expanding its training in 2021 to include two additional topics: How to write a grant and How to develop a budget.

DHS built upon the training materials ICJIA developed, added DHS branding and expanded delivery options to include self-paced, online learning. DHS also built out a learning management system to enhance training interaction and make the learning environment more accessible to diverse populations. DHS anticipates their training has reached nearly 40 entities, including state agencies interested in utilizing these tools. The agency will continue to work with UIS curriculum developers to amend the learning management system, processes and procedures. DHS is committed to using these tools to assist entities that desire to become DHS grantee partners.

Customer feedback has enabled ICJIA and DHS to shape their efforts. The training has been extremely well received. Participants have stated that they have a better understanding of grant funding and believe they are better equipped to apply for grant funding. Based on participant feedback, both agencies plan to continue and expand this training in 2021.

These trainings have great potential benefit to many entities across the state. GATU is working with ICJIA and DHS to determine how these training programs and the learning management system can be utilized statewide.

DEMONSTRATING GATA PERFORMANCE

Incremental implementation and GATA framework enhancements have elongated the change curve for GATA. State agencies, the grantee community and external stakeholders offer valuable insight to

make GATA frameworks more user friendly and have been key in guiding the development of training and support resources involved in public funding. Per 30 ILCS 708/95, the annual report includes information on the following five measures:

1. Number of entities placed on the Illinois Debarred and Suspended List;
2. Savings realized as a result of the implementation of this Act;
3. Reduction in the number of duplicative audits;
4. Number of persons trained to assist grantees and subrecipients; and
5. Number of grantees and subrecipients to whom a fiscal agent was assigned⁷.

As of the report date, the following values are recorded by GATU:

1. At the time of this report, there are 979 entities on the temporary Illinois Stop Payment List. In addition, the automated GATA registration and pre-qualification process has verified 9,477 entities against the Federal Do Not Pay list as required.
2. Based on the assumptions outlined below, the cost avoidance / savings for fiscal year 2020 is estimated at \$319,641,000;
3. Ninety-seven percent of grantees with active awards in state fiscal year 2020 received more than one grant. The GATA Audit Report Review Management System (ARRMS) allows grantees to submit one copy of their audit which is shared with all agencies funding that grantee. The ARRMS system resulted in a 40 percent decrease in the number of reviews required. In addition, ARRMS centralizes program-level grant expenditure reconciliations state agencies are required to perform.
4. GATU provides training and technical assistance to state agencies, grantees and external stakeholders through a mix of tools. The GATA website continues to encourage a steady stream of visitors with 2,640 unique page views in fiscal year 2020. Over its lifetime, the GATA homepage has been visited by over 56,000 users⁸. In addition, the \$4 million GATA training appropriations to ICJIA and DHS have enabled nearly 350 entities to receive additional grant training.

⁷ The assignment of fiscal agents is not a state agency or GATU function. Grantees and Subrecipients self-elect to utilize fiscal agents.

⁸ Google Analytics Data

The Cost Avoidance Table below illustrates that the GATA framework's standardization and automation works. Streamlined, automated processes significantly reduce the amount of time spent on fiscal and administrative grant management processes. The fiscal year 2020 GATA annual cost avoidance / savings estimates are based on a continuation of assumptions made in the fiscal year 17 annual report.⁹

Accomplishment	Savings / Cost Avoidance	Labor Hours
Centralized indirect cost rate negotiations	\$24,580,200	432,800
Centralized audit report review	\$23,868,700	563,200
Centralized framework for fiscal and administrative risk assessments	\$11,902,000	106,000
Centralized grantee pre-qualification	\$6,068,900	53,000
Automated Notice of State Award	\$1,649,800	35,000
Market value of grant management training	\$2,058,400	n/a
Automated Notice of Funding Opportunity	\$368,900	2,500
Controls against fraud, waste, abuse and mismanagement (assuming saving of 1%)	\$249,144,100	n/a
Estimated savings / cost avoidance	\$319,641,00	1,192,500

⁹ Estimated cost avoidance/savings are specific to state agencies. Additional grantee level efficiencies will be quantified in future reports.

2020 GATA Annual Report Conclusion

Illinois is the only state in the nation to enact into law the requirements of life cycle grant management. With bipartisan support, GATA became law to promote stewardship of public funds. Financial challenges that existed in 2014 when GATA was enacted are heightened today due to resource constraints magnified by COVID-19. Now more than ever, financial assistance must be stretched further as public services and programming are at record demand. GATA frameworks and the grant management system position Illinois to drive down the cost of grant administration and free up funds for programs and services.

GATA is intended to lessen administrative burdens and remove duplication. Incremental implementation has allowed users to ease into GATA frameworks, but this approach has elongated the rollout of GATA. Working closely with partners, GOMB and GATU are addressing user challenges head on. We remain committed to adjust systems where possible, so it's easier for grantees and state agencies to comply with requirements. Training and technical support are an ongoing priority. And, most importantly lines of communication are open wide. We remain focused on building and maintaining strong relationships with our state agencies, grantees and other external stakeholder partners.

GATU is grateful for the continued support of the Pritzker Administration, GATA's legislative sponsor, Representative Fred Crespo, and members of the General Assembly. Together, we will work to strengthen GATA frameworks and the Grant Management System to protect public funds from fraud, waste, abuse and mismanagement. With the nation in financial crisis as a result of COVID-19, Illinois is better positioned to oversee the use of financial assistance because of transparencies established under GATA. Constituents expect nothing less for their taxpayer dollars.

This 2020 GATA annual report showcased Illinois' accomplishments implementing GATA and highlighted key priorities for ongoing collaboration. Because the State of Illinois relies extensively on grants to operate programs and deliver services to Illinois citizens, GATU recognizes that our state is successful when our grantees are successful. We look forward to 2021 as frameworks and systems continue to evolve with an emphasis on the end user experience and improved grant data analytics for state agency and legislative leaders alike.

Appendices

- I. Chief Accountability Officers
- II. GATA-related Internet Links

APPENDIX I: CHIEF ACCOUNTABILITY OFFICERS

Pius Zacharias	Illinois Arts Council Agency	Lisa Cotner	Illinois Department of Natural Resources
Andy Munemoto	Illinois Department of Juvenile Justice	Vena Nelson	Illinois Department of Public Health
Natalie Lambert	Illinois Capital Development Board	Cory Staley	Illinois Department of Revenue
Jennifer Franklin	Illinois Community College Board	Melanie Turner	Illinois Department of Transportation
Adriana Perez	Illinois Criminal Justice Information Authority	Connie Watson	Illinois Department of Veterans Affairs
Erin Cleary	Illinois Department of Agriculture	Theresa McKeon	Illinois Department on Aging
Jeremy Harvey	Illinois Department of Children & Family Services	Phil Anello	Illinois Emergency Management Agency
Kimberly Hill	Illinois Department of Commerce and Economic Opportunity	Max Paller	Illinois Environmental Protection Agency
Debra Miller	Illinois Department of Corrections	Marc Gibbs	Illinois State Board of Education
Issac Burrows	Illinois Department of Employment Security	Trudy Malkey	Illinois State Police
Thanh Melick	Illinois Department of Financial and Professional Regulation	Scott Taylor	Illinois Student Assistance Commission
Ron McKechan	Illinois Department of Healthcare and Family Services	Denise Matthew	Law Enforcement Training and Standards Board
Nile Robinson	Illinois Board of Higher Education	Larita Reed-Clark	Metropolitan Pier and Exposition Authority
Gary Kramer	Illinois Department of Human Services	Ronny Wickenhauser	Office of the State Fire Marshal
Elena Goutsalenko	Illinois Department of Military Affairs	Vito Okoye	Illinois Racing Board

APPENDIX II: GATA RELATED INTERNET LINKS

- a. Statute 30 ILCS 708 Grant Accountability and Transparency Act
www.ilga.gov/legislation/ilcs/ilcs3.asp?ActID=3559&ChapterID=7
- b. GATA Website
www.grants.illinois.gov
- c. GATA Administrative Rules
ilga.gov/commission/JCAR/admincode/044/04407000sections.html
- d. National Grant Management Association
www.NGMA.org
- e. COVID links – US Treasury
[The CARES Act Provides Assistance for State, Local, and Tribal Governments | U.S. Department of the Treasury](#)
- f. Updates to federal Uniform Guidance
[Federal Register :: Guidance for Grants and Agreements](#)
- g. Federal Funds Information for States
www.ffis.org